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October 30, 1998

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FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE ATTORNEY GENERAL

Ms. Magalie Roman Salas  
Secretary  
Federal Communications Commission  
1919 M Street, N.W., Room 222  
Washington, DC 20554

Re: CC Docket 98-171

Dear Ms. Salas:

Herewith transmitted, on behalf of United States Cellular Corporation, are an original and four copies of its Comments in the above-referenced proceeding.

In the event there are any questions concerning this matter, please communicate with this office.

Very truly yours,

*Peter Connolly (TB)*  
Peter M. Connolly

Enclosure

cc (w/encl.): Scott Bergmann

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Before the  
**FEDERAL COMMUNICATIONS COMMISSION**  
Washington, D.C. 20554

In the Matter of )  
 )  
1998 Biennial Regulatory Review-- )  
Streamlined Contributor Reporting )  
Requirements Associated With ) CC Docket No. 98-171  
Administration of Telecommunications )  
Relay Services, North American Numbering )  
Plan, Local Number Portability, And )  
Universal Service Support Mechanisms )

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FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE CLERK

**COMMENTS OF UNITED STATES  
CELLULAR CORPORATION**

United States Cellular Corporation ("USCC"), hereby files its Comments on the Notice of Proposed Rulemaking and Notice of Inquiry in the above-referenced docket. USCC provides cellular service in 45 MSA and 100 RSA markets and makes filings pursuant to all of the funding mechanisms at issue in this proceeding. Accordingly, USCC has a vital interest in the improved efficiency of those mechanisms and a reduction in the paperwork requirements which they impose.

**I. USCC Supports The FCC's Proposal**

The Notice of Proposed Rulemaking ("NPRM") in the above-captioned proceeding proposes to consolidate the forms used for reporting revenue to support the North American Numbering Plan ("NANP"), Local Number Portability ("LNP"), Universal Service, and Telephone Relay ("TRS") funding requirements into one form, the new Form 499, the Telecommunications Reporting Worksheet ("TRW").

USCC supports this proposal. USCC believes that it makes sense, from the standpoint of telecommunications carriers, the FCC, and public, for such carriers to file one form once a year,

which will report end user revenue and revenues from other contributors, out of which the relevant administrator or administrators may determine the carriers' required payment for the functions discussed above.

USCC also supports the FCC's proposal (NPRM, Paragraphs 38-47) to make end user revenues the basis for all contributions. At present the worksheets used by carriers to report revenues for the NANP and TRS funding mechanisms require payments based on "net" and "gross" telecommunications revenues respectively while the Universal Service and LNP worksheets require the reporting of revenue from end users and other contributors. This is needlessly complex. Funding all those programs out of the same type of revenues will promote efficiency and fairness.

USCC also supports the elimination of minimum payments for carriers reporting end user revenues under the various programs (NPRM, Paragraphs 48-54). Such minimums tended to penalize companies such as USCC, which do business in their various service areas through many different subsidiaries, each of which was subject to various minimum payment requirements under all the different funding mechanisms. The FCC's goals in this proceeding ought to be simplicity and fairness, defined as all carriers making the same percentage payments, without any distortions caused by how carriers choose to do business.

USCC also has no objections to the NPRM's "information sharing" (NPRM, Paragraphs 56-62) and electronic filing (NPRM, Paragraphs 60-62) proposals.

## **II. USCC Would However, Ask The FCC To Focus Specifically On The Concerns Of Wireless Carriers In Its Final Order**

As noted above, USCC supports the FCC's laudable attempt to reduce the paperwork burdens on carriers through the consolidation of these reporting forms. USCC would, however, note that the

NPRM and accompanying Notice of Inquiry were generated in the FCC's Common Carrier Bureau and thus do not always reflect an understanding of the distinctive characteristics of wireless carriers.

For example, at Paragraph 22, the NPRM discusses the charges which carriers, including wireless carriers, may impose on their customers to recover mandatory universal service contributions:

"We also propose to collect information on charges imposed by telecommunications carriers that are designated as universal service charges. This breakout would show the total amounts of revenue that reporting carriers received from any charges identified on customer bills as universal service contribution recovery. This proposal would ensure that these revenues are properly reported and included in carriers' contribution bases. Further, the proposal would make it easier for the Commission to verify that contributors are not over-recovering from subscribers."

NPRM, at Paragraph 22.

This discussion, however, fails to note that CMRS carriers are not rate regulated by the states or the federal government. Since such carriers can change their rates as competition requires, it is, by definition, impossible for them to "over recover" (or "under recover") from their customers. That is a concept borrowed from traditional telephone regulation which simply does not fit in the CMRS context. It should be sufficient for the FCC simply to require that all end user revenues be reported, including revenues intended for reimbursement of universal service charges, without asserting a right to supervise wireless rates.

Also, Questions 302-320 on the TRW require, for the purposes of LNP administration, reporting revenues on a regional basis. While it may be relatively easy to determine the geographic origin of landline telephone company revenues, CMRS calls may easily cross regional lines as wireless customers travel. The Commission should accordingly provide guidance to CMRS carriers

as to how they are to categorize such inter-regional calls. We would propose that all revenues should be classified for these purposes based on the geographic location of a CMRS call's originating system.

No doubt there will be other issues which arise in the implementation of the new procedures which will require an appreciation of the distinctive position of CMRS carriers and the Commission should make use of the expertise of the Wireless Bureau in dealing with such issues.

**Conclusion**

USCC applauds the FCC's form consolidation proposal, but asks that the order and rules adopted reflect the unique concerns of the CMRS industry.

Respectfully submitted,

**UNITED STATES CELLULAR  
CORPORATION**

By: 

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October 30, 1998

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